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State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

April 18, 2012

Certified Return Receipt
7011 0110 0001 3568 3278

Keith MacKay
State Stone Corporation
4640 South Commerce Drive
Murray, Utah 84107

Subject: Review of Reclamation Surety and Revision to Notice of Intent, State Stone Corporation, Torrey Buff/Red Quarries, S/055/021, Wayne County, Utah

Dear Mr. MacKay:

The Division of Oil, Gas and Mining approves the amendment to the referenced Notice of Intention to Commence Small Mining Operations (NOI) received April 4, 2012. This amendment reduces the disturbed area to 2.5 acres. Enclosed is a copy of the updated NOI stamped approved. Please keep this as part of your records.

As a result of the updated NOI the Division calculated the bond amount based on 2.5 acres instead of 5.0 acres. Your current bond is \$13,500.00 in the form of cash. Based on the updated acreage the bond amount is either \$17,300 for a three (3) year escalation or \$18,000 for a five (5) year escalation as shown in the table below.

Project Size (Acres)	Surety 3 & 5 year escalation 2010	Comments
1 or less acres	\$7,900 (3-year escalation) \$8,200 (5-year escalation)	Minimum amount required
Additional acres up to 5 acres	\$4,700/ acre (3-year escalation) \$4,700/ acre * 2 acres = \$9,400 \$4,900/acre (5-year escalation) \$4,900/acre * 2 acres = \$9,800	Each fraction of an acre is considered 1 acre i.e. 2.5 acres is bonded as 3.0 acres.
Total	(3-year escalation) \$7,900 + \$9,400 = \$17,300 (5-year escalation) \$8,200 + \$9,800 = \$18,000	

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Please contact the minerals program bond coordinator, Penny Berry, at 801-538-5291 or by e mail at bondcoordinator@utah.gov for information about submitting the additional bond. Your current bond is in the form of cash. You may submit a letter of credit, a surety bond, or a certificate of deposit for either the full or the increased amount, or you may increase the cash deposit. Bonding forms are available on the Internet at <http://www.ogm.utah.gov/minerals/MINERALSFORMS.htm>.

Please provide the additional surety by May 30, 2012.

Thank you for our cooperation. Please call me at 801-538-5261 or Wayne Western at 801-538-5263 if you have questions about this letter.

Sincerely,

A handwritten signature in black ink, appearing to read 'PBB', is written over the word 'Sincerely,'.

Paul B. Baker
Mining Program Manager

PBB:whw:pb
cc: Sue Fivecoat, Hanksville BLM
John Reay, Hanksville BLM
oabeyta@blm.gov
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